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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

September 6, 1977

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Budgeting for the Federal Energy Management Program (FEMP)

The President has directed Federal agencies to examine their activities to assure appropriate priority has been given to energy conservation. Agencies should pursue activities necessary to implement Executive Order No. 12003 relating to Federal Government energy conservation.

This Executive order requires that agencies aim by 1985 to reduce their energy consumption from 1975 levels: (1) by 20 percent for existing Federal buildings, (2) by 45 percent for new Federal buildings, and (3) through meeting specified fuel economy standards for new car purchases. Copies of Executive Order No. 12003 and the associated White House press release are attached to this memorandum.

You should identify activities that will help achieve the President's energy conservation goals. In doing so, please look carefully at your existing programs to see whether there are areas where tradeoffs can be made.

There may be a tendency to defer energy conservation improvements in order to respond to near-term problems that are identified more directly with the agencies' stated missions. We urge you to be sensitive to this tendency and take a balanced view giving full consideration to the President's Federal Government-wide energy reduction goals.

This year staff of the Office of Management and Budget and the Federal Energy Administration (Department of Energy after October 1, 1977) will meet with staff of key agencies that have major energy-saving potential to give guidance with respect to information needed in addition to that in their FY 1979 budget requests. For subsequent years, this Office will publish formal budget guidance on the Federal Energy Management Program for all executive agencies. In the meantime, we urge you on your own initiative to take steps necessary to comply with the President's Executive order.

Bert Lance
Director

Attachments

OL 7-4139

FOR IMMEDIATE RELEASE

Office [redacted] the White House Press Secretary

THE WHITE HOUSE

EXECUTIVE ORDER

RELATING TO ENERGY POLICY AND CONSERVATION

By virtue of the authority vested in me by the Constitution and the statutes of the United States of America, including the Energy Policy and Conservation Act (89 Stat. 871, 42 U.S.C. 6201 *et seq.*), the Motor Vehicle Information and Cost Savings Act, as amended (15 U.S.C. 1901 *et seq.*), Section 205(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 486(a)), and Section 301 of Title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

Section 1. Section 1 of Executive Order No. 11912 of April 13, 1976, is amended to read as follows:

"Section 1. (a) The Administrator of General Services is designated and empowered to perform, without approval, ratification or other action by the President, the function vested in the President by Section 510 of the Motor Vehicle Information and Cost Savings Act, as amended (89 Stat. 915, 15 U.S.C. 2010). In performing this function, the Administrator of General Services shall:

(1) Promulgate rules which will ensure that the minimum statutory requirement for fleet average fuel economy is exceeded (i) for fiscal year 1978 by 2 miles per gallon, (ii) for fiscal year 1979 by 3 miles per gallon, and (iii) for fiscal years 1980 and after by 4 miles per gallon.

(2) Promulgate rules which will ensure that Executive agencies do not acquire, subsequent to fiscal year 1977, any passenger automobile unless such automobile meets or exceeds the average fuel economy standard for the appropriate model year established by, or pursuant to, Section 502(a) of the Motor Vehicle Information and Cost Savings Act, as amended (15 U.S.C. 2002(a)); except that, such rules (i) shall not apply to automobiles designed to perform combat-related missions for the Armed Forces or designed to be used in law enforcement work or emergency rescue work, and (ii) may provide for granting exemptions for individual automobiles used for special purposes as determined to be appropriate by the Administrator of General Services with the concurrence of the Administrator of the Federal Energy Administration.

"(b) The Administrator of General Services shall promulgate rules which will ensure that each class of non-passenger automobiles acquired by all Executive agencies in each fiscal year, beginning with fiscal year 1979, achieve for such fiscal year a fleet average fuel economy not less than the average fuel economy standard for such class, established pursuant to Section 502(b) of the Motor Vehicle Information and Cost Savings Act, as amended (89 Stat. 903, 15 U.S.C. 2002(b)), for the model year which includes January 1 of such fiscal year; except that, such rules (i)

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shall not apply to automobiles designed to perform combat-related missions for the Armed Forces or designed to be used in law enforcement work or emergency rescue work, and (2) may provide for granting exceptions for other categories of automobiles used for special purposes as determined to be appropriate by the Administrator of General Services with the concurrence of the Administrator of the Federal Energy Administration.".

Sec. 2. Executive Order No. 11912 of April 13, 1976, is further amended by adding the following new Section:

"Sec. 10. (a)(1) The Administrator of the Federal Energy Administration, hereinafter referred to as the Administrator, shall develop, with the concurrence of the Director of the Office of Management and Budget, and in consultation with the Secretary of Defense, the Secretary of Housing and Urban Development, the Administrator of Veterans' Affairs, the Administrator of the Energy Research and Development Administration, the Administrator of General Services, and the heads of such other Executive agencies as he deems appropriate, the ten-year plan for energy conservation with respect to Government buildings, as provided by section 381(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6361(a)(2)).

(2) The goals established in subsection (b) shall apply to the following categories of Federally-owned buildings: (i) office buildings, (ii) hospitals, (iii) schools, (iv) prison facilities, (v) multi-family dwellings, (vi) storage facilities, and (vii) such other categories of buildings for which the Administrator determines the establishment of energy-efficiency performance goals is feasible.

"(b) The Administrator shall establish requirements and procedures, which shall be observed by each agency unless a waiver is granted by the Administrator, designed to ensure that each agency to the maximum extent practicable aims to achieve the following goals:

(1) For the total of all Federally-owned existing buildings the goal shall be a reduction of 20 percent in the average annual energy use per gross square foot of floor area in 1985 from the average energy use per gross square foot of floor area in 1975. This goal shall apply to all buildings for which construction was or design specifications were completed prior to the date of promulgation of the guidelines pursuant to subsection (d) of this Section.

(2) For the total of all Federally-owned new buildings the goal shall be a reduction of 45 percent in the average annual energy requirement per gross square foot of floor area in 1985 from the average annual energy use per gross square foot of floor area in 1975. This goal shall apply to all new buildings for which design specifications are completed after the date of promulgation of the guidelines pursuant to subsection (d) of this Section.

"(c) The Administrator, with the concurrence of the Director of the Office of Management and Budget, in consultation with the heads of the Executive agencies specified in subsection (a) and the Director of the National Bureau of Standards, shall establish, for purposes of developing the ten-year plan, a practical and effective method for estimating and comparing life cycle capital and operating costs for Federal buildings, including residential, commercial, and industrial type categories. Such method shall be consistent with the Office of Management and Budget Circular No. A-94, and shall be adopted and used by all agencies in developing

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their plans pursuant to subsection (e), annual reports pursuant to subsection (g), and budget estimates pursuant to subsection (h). For purposes of this paragraph, the term "life cycle cost" means the total costs of owning, operating, and maintaining a building over its economic life, including its fuel and energy costs, determined on the basis of a systematic evaluation and comparison of alternative building systems.

"(d) Not later than November 1, 1977, the Administrator, with the concurrence of the Director of the Office of Management and Budget, and after consultation with the Administrator of General Services and the heads of the Executive agencies specified in subsection (a) shall issue guidelines for the plans to be submitted pursuant to subsection (e).

"(e) (1) The head of each Executive agency that maintains any existing building or will maintain any new building shall submit no later than six months after the issuance of guidelines pursuant to subsection (d), to the Administrator a ten-year plan designed to the maximum extent practicable to meet the goals in subsection (b) for the total of existing or new Federal buildings. Such ten-year plans shall only consider improvements that are cost-effective consistent with the criteria established by the Director of the Office of Management and Budget (OMB Circular A-94) and the method established pursuant to subsection (c) of this Section. The plan submitted shall specify appropriate energy-saving initiatives and shall estimate the expected improvements by fiscal year in terms of specific accomplishments -- energy savings and cost savings -- together with the estimated costs of achieving the savings.

(2) The plans submitted shall, to the maximum extent practicable, include the results of preliminary energy audits of all existing buildings with over 30,000 gross square feet of space owned and maintained by Executive agencies. Further, the second annual report submitted under subsection (g)(2) of this Section shall, to the maximum extent practicable, include the results of preliminary energy audits of all existing buildings with more than 5,000 but not more than 30,000 gross square feet of space. The purpose of such preliminary energy audits shall be to identify the type, size, energy use level and major energy using systems of existing Federal buildings.

(3) The Administrator shall evaluate agency plans relative to the guidelines established pursuant to subsection (d for such plans and relative to the cost estimating method established pursuant to subsection (c). Plans determined to be deficient by the Administrator will be returned to the submitting agency head for revision and resubmission within 60 days.

(4) The head of any Executive agency submitting a plan, should he disagree with the Administrator's determination with respect to that plan, may appeal to the Director of the Office of Management and Budget for resolution of the disagreement.

"(f) The head of each agency submitting a plan or revised plan determined not deficient by the Administrator or, on appeal, by the Director of the Office of Management and Budget, shall implement the plan in accord with approved budget estimates.

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"(g)(1) Each Executive agency shall submit to the Administrator an overall plan for conserving fuel and energy in all operations of the agency. This overall plan shall be in addition to and include any ten-year plan for energy conservation in Government buildings submitted in accord with Subsection (e).

(2) By July 1 of each year, each Executive agency shall submit a report to the Administrator on progress made toward achieving the goals established in the overall plan required by paragraph (1) of this subsection. The annual report shall include quantitative measures and accomplishment with respect to energy saving actions taken, the cost of these actions, the energy saved, the costs saved, and other benefits realized.

(3) The Administrator shall prepare a consolidated annual report on Federal government progress toward achieving the goals, including aggregate quantitative measures of accomplishment as well as suggested revisions to the ten-year plan, and submit the report to the President by August 15 of each year.

"(h) Each agency required to submit a plan shall submit to the Director of the Office of Management and Budget with the agency's annual budget submission, and in accordance with procedures and requirements that the Director shall establish, estimates for implementation of the agency's plan. The Director of the Office of Management and Budget shall consult with the Administrator about the agency budget estimates.

"(i) Each agency shall program its proposed energy conservation improvements of buildings so as to give the highest priority to the most cost-effective projects.

"(j) No agency of the Federal government may enter into a lease or a commitment to lease a building the construction of which has not commenced by the effective date of this Order unless the building will likely meet or exceed the general goal set forth in subsection (b)(2).

"(k) The provisions of this Section do not apply to housing units repossessed by the Federal Government.".

JIMMY CARTER

THE WHITE HOUSE,

July 20, 1977.

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Approved For Release 2003/08/13 : CIA-RDP85-00988R000500090020-7

FOR IMMEDIATE RELEASE

Office of the White House Press Secretary

THE WHITE HOUSE

ENERGY CONSERVATION

The President today signed an executive order on energy policy and conservation.

The order instructs Federal agencies to:

1. Purchase automobiles which insure that the fleet average fuel economy exceeds the average fuel economy under the Energy Policy and Conservation Act by at least two miles per gallon in 1978 and four miles per gallon in 1980. The changeover would take place at a rate of more than 15,000 vehicles per year.

2. Reduce by 1985 energy consumption in existing Federal buildings by 20 percent from 1975 levels, and in new buildings by 45 percent. These changes could result in savings in our balance of payments of up to $344 million per year at current prices.

FEDERAL AUTOMOBILE FLEET

In order to set an example for the rest of the country, the Federal government under this executive order commits itself to phasing out gas guzzling automobiles by requiring the fleet of new passenger vehicles purchased or leased by the government to achieve an average fleet fuel economy substantially higher than the national standard. The average gas mileage experienced by the major agency fleets for passenger automobiles during fiscal year 1976 was about 13 miles per gallon, according to the General Services Administration. Agency?

In addition, the executive order prohibits the government from purchasing or leasing a passenger vehicle which does not achieve at least the national average fuel economy standard.

--According to the General Services Administration, in 1975, the Federal government owned approximately 95,000 passenger vehicles and leased an additional 6,000 to 8,000 passenger vehicles. Approximately one-sixth of the fleet is replaced per year, according to GSA.

--The estimated petroleum savings in 1980 under the plan would be 200 to 400 barrels of oil per day; in 1985, the savings would increase to 500 to 700 barrels per day, according to Federal Energy Administration estimates.

FEDERAL BUILDINGS

There are approximately 400,000 federally owned buildings totalling around 2.5 billion square feet of floor space. In 1975, federal buildings consumed the equivalent of 375,000 barrels of oil per day, roughly 1 percent of total domestic energy demand.

This executive order aims to achieve cost effective capital improvements including insulation, modifications of heating, ventilating and air conditioning systems and installation of storm windows, heat recovery systems or solar energy systems.

It is expected that such modifications could save up to 20 percent of the energy consumed in existing federal buildings, or approximately 70,000 barrels of oil equivalent per day.

P&PS

EMPLOYEE BULLETIN

ATINTL [redacted]

19 July 1979

CAR POOL LOCATOR BOARDS

1. Recent events have clearly demonstrated the need to conserve energy. An excellent way is to form or join a car pool.

2. For the convenience of employees, the Agency maintains car pool locator boards at the following locations:

a. Headquarters Building, J Corridor (near the Credit Union, 1J33).

b. Ames Building, corridor off Main Lobby.

ATINTL c. [redacted]

d.

3. Cards are provided at each location. Green cards are used to advertise vacancies in established car pools and pink cards are used to show interest in forming or joining car pools.

DISTRIBUTION: ALL EMPLOYEES (1-6)

Approved For Release 2003/08/13 : CIA-RDP85-00988R000500090020-7

 P&PS

EMPLOYEE BULLETIN

STATINTL

[redacted]

5 June 1979

ENERGY CONSERVATION

1. The President has directed that Executive departments and agencies reduce energy consumption by 5 percent for the twelve-month period beginning 1 April 1979 compared with the preceding twelve months. Specific actions to be taken are:

a. Set thermostats in all Federally operated buildings, except where required for health and safety or special purposes, at not more than 65 degrees during working hours and 55 degrees during nonworking hours for the heating season and not lower than 80 degrees for the cooling season.

b. Reduce use of automotive fuels by 10 percent.

2. Each agency must take additional steps to achieve the full reduction goal. Efforts are being made within the Agency to identify areas where energy usage can be reduced without an adverse impact on the Agency's mission.

3. Maintaining a uniform temperature in the building is a difficult job; temperature and humidity levels differ from one area to another. In areas considered uncomfortably warm, employees should use discretion and may wear clothing more comfortably suited to particular office conditions (i.e., no coats or ties for men).

4. Management of energy usage requires the support of all employees if the Agency is to meet the President's goal. Energy conservation pamphlets have been placed in Credit Union offices. Continued cooperation by participating in carpools and reducing energy usage in both home and work environments will make a significant contribution in meeting our nation's energy objectives.

DISTRIBUTION: ALL EMPLOYEES (1-6)

P&PD

EMPLOYEE BULLETIN

STATINTL

2 March 1979

ENERGY CONSERVATION

1. Responding to the world cutback in oil production resulting from the Iranian situation, the President has directed additional conservation measures to reduce energy use by the Federal Government.

2. Thermostats in all Federally owned and operated buildings are to be set at 65° F during the day and 55° F at night. The General Services Administration has already reset thermostats in the Headquarters Building. Some variations in temperature may be experienced because of the large and complex systems within Headquarters Building. Problems should be directed to the Headquarters Engineering Branch on extension 7543.

3. In addition, the President has directed reduction of electrical use, particularly lighting; reduction of petroleum use by combining and reducing the number of vehicular trips; and reduction of research and experimental activity requiring high energy usage.

4. As Agency employees we can contribute individually to this effort by making use of carpools and mass transit. We should turn out unnecessary lighting wherever possible, wear warm clothing to offset lowered temperatures, and be alert to energy saving suggestions in home and office areas.

DISTRIBUTION: ALL EMPLOYEES (1-6)

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P-05

EMPLOYEE BULLETIN

STATINTL

26 December 1979

VANPOOL PRESENTATION

1. A presentation on the basic aspects of forming or joining a vanpool will be given by representatives from the Department of Energy and VANGO of Maryland in the Headquarters Auditorium on Monday, 14 January 1980, at ~~2:00~~ 3:00 p.m.

2. All employees are invited to attend. However, if the response is greater than the Auditorium capacity, overflow will be accommodated by a video transmission in the South Cafeteria. Additionally, a video tape presentation of the program may be scheduled at a later date if sufficient interest is indicated.

3. Employees are advised, particularly concerning the question and answer period to follow, that uncleared personnel will be present.

DISTRIBUTION: ALL EMPLOYEES

Find a New Way to Get to Work, Such as Sharing a Ride in a Van

By Jane Freundel
Washington Post Staff Writer

For seven years, Ken Black commuted with three other Washington workers from Columbia—a 57-mile round trip that became a mental as well as a physical drain. "We had conflicts over whose turn it was to drive," Black recalled. "Often nobody talked."

Today Black, an Internal Revenue Service employe, is still commuting from Columbia. But now there are 15 riders sharing the ride, and not only are they happily talking, they are just as likely to be playing charades, munching on popsicles, or sipping sodas as they tool along Rte. 29.

What has changed Black's opinion of commuting and that of some other Washington area commuters is one of the fastest growing forms of mass transit in the nation—van pooling.

Thanks to the recurring gas shortage, the use of delivery-truck-size vans for commuting is booming, according to officials at the Department of Transportation, which has spent $52 million since 1974 to promote ride sharing.

"I think it's great," said Virginia van pooler Russell Campbell, who commutes from the Mount Vernon area to the Interior Department in downtown D.C. "It beats the hassle of driving."

In Maryland, where van pools are aided by a nonprofit, federally and state-funded corporation called Vango, there were 102 commuter vans on the road at the end of May. By June 30, 162 vehicles were running, of which 17 had Washington as their destination.

Northern Virginia van poolers have no official assistance or encouragement from state officials, but Lew Pratsch, a van pooler who works for the Department of Energy, surveyed the Shirley Highway commuter lanes for his master's thesis last fall and counted an average of 100 commuter vans a day. He estimates that today "at least 150" ride the highway into the District.

In a voice made hoarse by nonstop telephone requests for information, Lee Mahoney of the Philadelphia-based National Association of Vanpool Operators estimated a minimum of 6,000 van pools nationwide. She said the upsurge in consumer interest since the gasoline shortage began has caused more van pools to form than she can keep track of.

Maryland's Vango, often cited by transportation experts as a pioneer in van pool promotion, began operations in November 1977. The corporation matches a potential driver with riders who share a common or neighboring workplace and home.

The Baltimore-based group assists the group in leasing a van and obtaining the needed permits. Most Maryland van poolers rent their vans from Van, Inc., a leasing Rockville concern, and for a fee of $413.69 a month receive a 15-passenger vehicle, insurance and maintenance.

The van driver typically charges passengers a fraction of the monthly fee plus 12 cents a mile for gasoline and operating costs. In return for his services the driver rides free. The fare for his riders on an average 25-mile round trip, based on 12 riders per van, will be $34.50 a month.

Vango surveys show that the average van carries 12.5 riders and takes nine cars off the highways, an action which van supporters say not only curbs pollution but also saves large amounts of gasoline.

Vango calculates that if the 162 vans in its fleet average 56 miles per work day, the result would be a savings of more than a million gallons of gasoline a year.

Vango director Al Duke said the leasing arrangement not only eliminates the often-prohibitive $12,000 cost of a van, but removes much of the risk as well. Insurance is provided by the leasing company and an escrow account of federal funds protects the leasing company from any van pool defaults. So far none of the Maryland van pools has defaulted.

In Virginia, financing is up to individuals. For example, two months ago, the Ted Pappas family of Manassas had to organize their own van pool of 13 Washington riders, a task that involved three family members.

Pappas, 48, a transportation analyst for the Federal Maritime Commission and chairman of the Prince William County Mass Transportation Committee, drives the van. Ted Jr., 19, keeps the books and Melissa, 15, answers the phone, cleans the van, and sees that her dad gets up in the mornings.

Pappas charges his riders $16.50 a week, considerably less than the commercial bus rate of $20.55. He said he is having to turn away riders, although it will be years before his operation is in the black. "The theory," said Pappas, "is to end up with a paid-for van—and a free ride to work."

Share a Ride to Work in a Van

His Prince William County committee has asked the state Department of Highways and Transportation to approve a $250,000 grant to subsidize van purchases and to establish fuel depots for the vans. The states will act on the request this fall, according to highway officials.

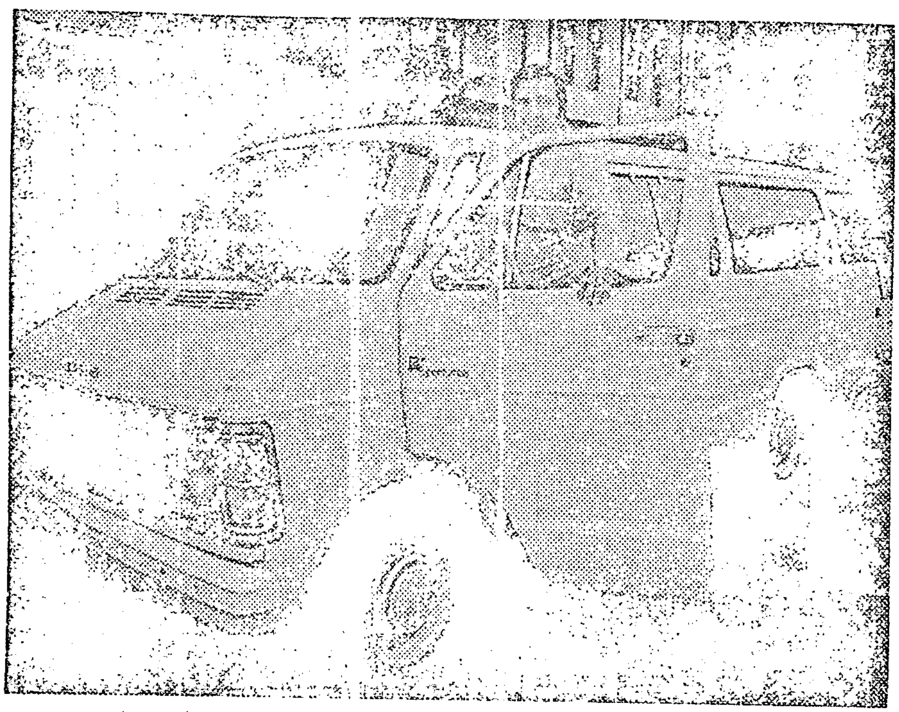
Washington area van poolers applauded President Carter for suggesting two years ago that the federal government buy 6,000 vans and let government workers commute in them. But the first van has yet to be purchased by the government, the van advocates complain.

Another disappointment for local van poolers is the federal government's failure to follow the lead of California where state employes are permitted to use state-owned vehicles for commuting. Federal low prohibits U.S. employes from using government vehicles for anything but official business.

This month, members of federal agencies, including HEW, Transportation, IRS and GSA, invited Vango of Maryland to help set up employe van pools. Vango's Duke said the agencies have come to the right place.

He'd like nothing better than to start with the federal workers at 1600 Pennsylvania Avenue.

"I could survey the White House [for potential van pools] next week . . ." he said, "and we could have the vans on the road in a week."



By Gerald Martineau—The Washington Post

Ted Pappas of Manassas financed and organized his van pool of 13 riders.